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February 26, 2024

Culver City Council

**Re: Resolution 24-04
A Resolution Approving an Employment Agreement with City
Recorder/Manager**

Dear Council:

Several months ago, the City's Recorder/Manager's legal counsel requested that I begin working on an employment agreement for his client. The City Recorder ("Employee") has worked for the City since May 15, 2005, without a formal employment agreement. It is rare to have this position not have a formal employment agreement.

I initially drafted an agreement for review with the Council in previous executive sessions. These drafts went back and forth between me and Employee's legal counsel with the final version being presented tonight.

The Agreement would be effective March 1, 2024 until June 30, 2026. There are some important features of the agreement to note that are different than what has been previously practiced with the Employee:

- Compensation will be fixed, and the position will be appropriately identified as an exempt employee. Previously, the position was a salaried non-exempt position, meaning that overtime was required to be paid. The base salary set forth in Section 2.1 of the Agreement is what Ms. McCormack would make with her current salary and averaging overtime over the last two years.
- Cost of living adjustments ("COLA") have been capped at four percent (4%) of the consumer price index. Currently, COLA is provided to the position each year based on the consumer price index, however no cap is in place.
- Performance salary increases have been provided to allow for a two percent (2%) bonus if the City Council determines that the Employee has satisfactorily exceeded expectations of her services. To my knowledge, the City Council has never completed annual reviews of this position, which it should be on at least a yearly basis.

One important change to the draft presented tonight than what had been discussed previously with Council, is the addition of the following sentence at the end of the second paragraph of Section 2.3: "Any change to the Employee Handbook will not affect Employee's benefits until the next contract negotiations when the parties can negotiate their inclusion into the contract."

This provision would make the Employee exempt from any changes within the Employee Handbook currently being discussed by the Employee Handbook Committee established by Mayor Carpenter. That committee has met twice with another meeting scheduled for March. It is anticipated that a new handbook will be presented to Council at the April council meeting.

The employee's attorney argues that this provision is required because the Council would need to renegotiate the contract every time a change to the Employee Handbook is made. A formal change to the Employee Handbook has not occurred since 2012. From my perspective, without the added clause, the employee would simply be subject to the Employment Handbook as currently drafted and as amended hereafter. I don't believe there would be any reason to renegotiate.

Very Truly Yours,

Jered Reid
City Attorney